



Town of Groton, Connecticut

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Groton, CT 06340-4394
Town Clerk 860-441-6640
Town Manager
860-441-6630

Meeting Minutes

Town Council

Mayor Heather Bond Somers, Councilors Dean G. Antipas, Bruce S. Flax, Bill Johnson, Frank O'Beirne, Jr., Deborah L. Peruzzotti, Rita M. Schmidt, James L. Streeter, and Harry A. Watson

Tuesday, July 10, 2012

7:30 PM

Town Hall Annex - Community Room 1

SPECIAL MEETING

I. ROLL CALL

The meeting was called to order at 7:32 p.m. by Mayor Somers.

Members Present: Mayor Somers, Councilor Flax, Councilor Johnson, Councilor O'Beirne, Jr., Councilor Schmidt, Councilor Streeter and Councilor Watson

Members Absent: Councilor Antipas and Councilor Peruzzotti

Also present were Town Manager Mark Oefinger, Director of Public Works Gary Schneider, Town Clerk Betsy Moukawsher and Office Assistant Lori Watrous.

II. PUBLIC HEARING:

2012-0211

Public Hearing on an Ordinance for Road Maintenance and Rehabilitation

PUBLIC HEARING ON AN ORDINANCE APPROPRIATING \$11,200,000 FOR THE CALENDAR YEARS 2013 THROUGH 2017 ROAD MAINTENANCE AND REHABILITATION PROGRAM AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE SAID APPROPRIATION

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF GROTON:

Section 1. That the sum of ELEVEN MILLION TWO HUNDRED THOUSAND DOLLARS (\$11,200,000) is appropriated for costs related to maintenance and rehabilitation of the Town's accepted network of roads anticipated to be accomplished during calendar years ending December 31, 2013 through December 31, 2017, and costs related to the financing thereof. The estimated costs of the project are: (a) \$3,542,011 for maintenance and rehabilitation of roads located within the boundaries of the City of Groton, (b) \$986,703 for maintenance and rehabilitation of roads located within the boundaries of the Groton Long Point Association, (c) \$6,364,800 maintenance and rehabilitation of roads within the Town and outside of boundaries of the City of Groton and Groton Long Point Association, and (d) \$306,486 for financing costs. The project is contemplated to include the roads described in the document entitled "Town of Groton, CT, Calendar Years 2013 through 2017 Road Maintenance and Rehabilitation Program," as presented to the Town Council on June 26, 2012, a copy of which has been placed on file in the office of the Town Clerk, and improvements to such other roads as may be determined from time-to-time by the Town Council following consultation as applicable with the Mayor of the City of Groton and the President of the Groton Long Point Association. The road maintenance and rehabilitation is contemplated to include a combination of milling, crack sealing, overlay and/or full depth reclamation, replacement of deteriorated curbing, resetting or installation of new catch basin tops, traffic markings including line striping, stop bars and arrows, installation of signal loops for traffic signals, loaming and seeding of the disturbed areas, and related work and improvements. The appropriation may be spent for design, acquisition, installation and construction costs, equipment, materials, construction management, site improvements, environmental remediation including disposal of waste materials, easement acquisition, engineering fees, design and bidding services, testing and inspection costs, traffic control, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing. Following consultation as applicable with the Mayor of the City of Groton and the President of the Groton Long Point Association, the Town Council shall determine the scope and particulars of the project and may reduce or modify the scope of the

project, and the entire appropriation may be expended on the project as so modified or reduced.

Section 2. That the Town issue bonds or notes, in an amount not to exceed ELEVEN MILLION TWO HUNDRED THOUSAND DOLLARS (\$11,200,000) to finance the appropriation for the project.

Section 3. That the Town issue and renew temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes for the project. The amount of the notes outstanding at any time shall not exceed ELEVEN MILLION TWO HUNDRED THOUSAND DOLLARS (\$11,200,000).

Section 4. That the Town Council shall determine the amount of bonds or notes authorized by Section 2 to be sold. The Town Manager and the Director of Finance shall determine the amount of any temporary notes authorized by Section 3 to be sold. The Town Manager and the Director of Finance of the Town shall sign any bonds or notes by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds or notes. The Town Manager and the Director of Finance are authorized to determine the dates, interest rates, maturities, redemption provisions, form and other details of the bonds or notes; to provide for the keeping of a record of the bonds or notes; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds or notes; to designate a financial advisor to the Town in connection with the sale of the bonds or notes; to sell the bonds or notes at public or private sale; to deliver the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes.

Section 5. That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that (except to the extent reimbursed from grant moneys) project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings, including qualified tax credit bonds, in an aggregate principal amount not in excess of the amount of borrowing authorized above for the project. The Town Manager and the Director of Finance are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes authorized by this ordinance if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

Section 6. That the Town Manager and the Director of Finance are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds or notes.

Section 7. That the Town Manager, the Director of Finance, and other proper officers of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds or notes to finance the aforesaid appropriation.

Section 8. This ordinance shall become effective only if it has been adopted by vote of not less than five (5) members of the Town Council and by the Representative Town Meeting, and only if the appropriation set forth in Section 1 and the issuance of bonds and notes to finance said appropriation have been approved by the voters at referendum in accordance with Sections 5.5.5.1 and 9.13 of the Town Charter, and notice of passage has been published in accordance with the provisions of the Town Charter.

Heard at Public Hearing

Mayor Somers called a recess for the Public Hearing at 7:34 p.m.

The Notice of Public Hearing pursuant to a resolution passed by the Town Council was read by Town Clerk Betsy Moukawsher.

The ordinance was prepared by the Bonding Attorney and reviewed by the Town Attorney, who found some minor typographical errors which have been corrected.

Director of Public Works Gary Schneider provided background information for this ordinance. He

stated that the Town is responsible for maintenance and rehabilitation of roads in the Town, the City, and Groton Long Point. When estimating the costs associated with the ordinance, the costs for asphalt, incidentals, curbing and line striping, as well as the different approaches each entity takes in its paving program, were all taken into account. An impact statement was prepared by the Director of Finance with the potential effect on the mill rate. The current amount of outstanding bonds is \$42 million; pending bonds amount to \$6.3 million. If passed, the bonds for this ordinance will amount to \$11.2 million, resulting in a total of approximately \$59.9 million.

Scott Aument, 127 Rogers Road, a member of the RTM, stated that revenues have gone down significantly, the tax base is diminishing, and businesses are leaving the area. He agrees that roads need to be repaired, but does not agree with the extra costs associated with bonding. Mr. Aument stated that it is the duty of the RTM to determine spending priorities each year, and that ability should not be taken away. He questioned where left over money would go and what would happen if there were cost over-runs. He inquired as to the effect of the ordinance on the mill rate and the Town's outstanding debt. He also asked what method the Council would use to track the progress of the program.

The Town Manager read a letter from Marion Galbraith. As a private citizen unable to attend, Ms. Galbraith stated that she is in support of this bonding ordinance. She noted that it is fiscally responsible and an investment in the infrastructure of the Town.

Favorable recommendations under CGS 8-24 were received from both the Town and City Planning Commissions.

The Town Manager stated that the whole sum will not be bonded at one time. If the projects come in under budget, either more roads can be paved or the project will be ended without spending the full amount. He noted that the City and Groton Long Point will send projects out to bid; therefore, costs will be known up front. If bid estimates are over the amounts approved by the ordinance, fewer roads will be done in those areas.

Councilor Flax noted that \$306,486 represents the cost of bonding. The interest on the bonding project will be \$2.1 million.

There being no further comments, Mayor Somers closed the Public Hearing at 7:55 p.m.

A recess was declared at 7:55 p.m. for the Council to meet as Committee of the Whole. The Town Council meeting resumed at 8:10 p.m.

III. NEW BUSINESS

2012-0213

Adoption of Ordinance for Road Maintenance and Rehabilitation

ADOPTION OF AN ORDINANCE APPROPRIATING \$11,200,000 FOR THE CALENDAR YEARS 2013 THROUGH 2017 ROAD MAINTENANCE AND REHABILITATION PROGRAM AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE SAID APPROPRIATION

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contemplated to include the roads described in the document entitled "Town of Groton, CT, Calendar Years 2013 through 2017 Road Maintenance and Rehabilitation Program," as presented to the Town Council on June 26, 2012, a copy of which has been placed on file in the office of the Town Clerk, and improvements to such other roads as may be determined from time-to-time by the Town Council following consultation as applicable with the Mayor of the City of Groton and the President of the Groton Long Point Association. The road maintenance and rehabilitation is contemplated to include a combination of milling, crack sealing, overlay and/or full depth reclamation, replacement of deteriorated curbing, resetting or installation of new catch basin tops, traffic markings including line striping, stop bars and arrows, installation of signal loops for traffic signals, loaming and seeding of the disturbed areas, and related work and improvements. The appropriation may be spent for design, acquisition, installation and construction costs, equipment, materials, construction management, site improvements, environmental remediation including disposal of waste materials, easement acquisition, engineering fees, design and bidding services, testing and inspection costs, traffic control, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing. Following consultation as applicable with the Mayor of the City of Groton and the President of the Groton Long Point Association, the Town Council shall determine the scope and particulars of the project and may reduce or modify the scope of the project, and the entire appropriation may be expended on the project as so modified or reduced.

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Section 5. That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that (except to the extent reimbursed from grant moneys) project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings, including qualified tax credit bonds, in an aggregate principal amount not in excess of the amount of borrowing authorized above for the project. The Town Manager and the Director of Finance are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes authorized by this ordinance if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

Section 6. That the Town Manager and the Director of Finance are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds or notes.

Section 7. That the Town Manager, the Director of Finance, and other proper officers of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds or notes to finance the aforesaid appropriation.

Section 8. This ordinance shall become effective only if it has been adopted by vote of not less than five (5) members of the Town Council and by the Representative Town Meeting, and only if the appropriation set forth in Section 1 and the issuance of bonds and notes to finance said appropriation have been approved by the voters at referendum in accordance with Sections 5.5.5.1 and 9.13 of the Town Charter, and notice of passage has been published in accordance with the provisions of the Town Charter.

Refer to RTM.

A motion was made by Councilor Streeter, seconded by Councilor Schmidt, that this matter be Adopted and Referred to the Representative Town Meeting, due back on August 8, 2012.

The motion carried by the following vote:

Votes: In Favor: 6 - Mayor Somers, Councilor Johnson, Councilor O'Beirne, Jr., Councilor Schmidt, Councilor Streeter and Councilor Watson
Opposed: 1 - Councilor Flax

2012-0215

Resolution Authorizing Use of a Description of the Ordinance for Road Maintenance and Rehabilitation

RESOLUTION AUTHORIZING USE OF A DESCRIPTION OF THE ORDINANCE FOR ROAD MAINTENANCE AND REHABILITATION IN LIEU OF THE COMPLETE TEXT IN NOTICE OF ADOPTION

WHEREAS, the Town Council has adopted an "Ordinance Appropriating \$11,200,000 for the Calendar Years 2013 through 2017 Road Maintenance and Rehabilitation Program and Authorizing the Issue of Bonds and Notes in the Same Amount to Finance Said Appropriation," and

WHEREAS, Section 5.5.6 of the Town Charter provides for notice of the adoption of an ordinance to be published in the newspaper, and

WHEREAS, in accordance with Section 5.5.6.2 of the Town Charter, at the direction of the Town Council, a description of the ordinance prepared by the Town Attorney may be substituted for the complete text of the ordinance in the notice of adoption publication, now therefore be it

RESOLVED, that the Town Council authorizes the use of a description of the "Ordinance Appropriating \$11,200,000 for the Calendar Years 2013 through 2017 Road Maintenance and Rehabilitation Program and Authorizing the Issue of Bonds and Notes in the Same Amount to Finance Said Appropriation," in lieu of the complete text in the notice of adoption of the ordinance.

A motion was made by Councilor O'Beirne, Jr., seconded by Councilor Watson, that this matter be Adopted.

The motion carried unanimously

IV. ADJOURNMENT

A motion to adjourn at 8:12 p.m. was made by Councilor Watson, seconded by Councilor Flax and so voted unanimously.

Attest:

*Betsy Moukawsher, Town Clerk
Clerk of the Council
Lori Watrous, Office Assistant*